Crisis faced by Steel Industry in Punjab

5140. SHRI IQBAL SINGH : Will the Minister of STEEL be pleased to state :

(a) whether the steel industry in the country, particularly in Punjab, is facing an acute crisis;

(b) if so, the details thereof and reasons therefor, industry-wise; and

(c) what action Government propose to take to help the steel industry in Punjab ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SANTOSH MOHAN DEV) : (a) to (c) The total production of finished steel in 1993-94 was 15.13 million tonnes (Provisional) showing a decline of about 0.5%. While the production of main producers had increased by about 4.2%, the production from secondary producers had declined by about 6.4%. The decline in production of secondary producers is mainly due to demand recession on account of factors like decline in construction activity, increase in input costs etc. Measures like extension of MODVAT to capital goods, increased allocations for health, rural development and infrastructure sectors in the budget of 1994-95 are expected to increase the demand for steel. The increase in demand will benefit the steel industry including steel industry in Punjab.

Adoption of marketing strategies by SAIL

5141. SHRI V. NARAYANASAMY :
SHRI BISHAMBHAR NATH PANDE :

Will the Minister of STEEL be pleased to state :

(a) whether it is a fact that Steel Authority of India Limited is creating novel strategies for meeting the market access for its products because of the competition in the steel industry; and

(b) if so, what are the new strategies which the SAIL is going to adopt for better marketing of its goods ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SANTOSH MOHAN DEV) : (a) Yes, Sir. With the deregulation of the steel industry SAIL has reoriented its marketing strategies to consolidate and improve its market share vis-a-vis its competitors.

(b) The salient features of the new marketing strategy of SAIL include the following :

- Product mix is decided in terms of market demand.
- Intensification of Direct Customer Contact with a view to improve sales and customer service.
- Reorganisation of marketing set up at the field level to facilitate quick decision making.
- Emphasis on prompt & effective after sale services.
- Simplification of quality complaint procedures.
- Coordinating movement of material from SAIL plants to its stockyards in accordance with the orders placed by the customers.
- Movement of material from the plants to the natural markets in each region to facilitate quicker sales of materials.
- Intensification of the export effort. The export strategy is now an integral part of the overall Marketing Policy of the company and not confined only to the surplus categories.
- Strengthening of market intelligence unit.

Steel producing undertakings/firms in Punjab

5142. SHRI IQBAL SINGH : Will the Minister of STEEL be pleased to state :

(a) what are the names of undertakings/firms which are engaged in steel production in the country particularly in Punjab ?